DEPARTMENT OF THE TREASURY
WASHINGTON

TREASURER
OF THE
UNITED STATES

EPN

May 11, 1998

Mr. Andrew Newman
Chairman of the Board
Race Rock Holdings Inc.
Pobox 16940
Saint Louis, MO 63166

Dear Mr. Newman:

Thank you for your interest in the Federal government's program to introduce the newly redesigned U.S. currency series.

Later this year, the newly redesigned $20 bill will be issued. In Automatic Teller Machines (ATMs), at the local supermarket, at the highway rest stop — the new $20 note will become a daily part of American life and daily commerce. For many Americans, this will be the first time they will see the redesigned currency on a regular basis. Unfamiliarity with the new notes, among even a small percentage of cash-handlers or consumers, could result in significant expense, confusion and time lost for everyone.

The U.S. Department of the Treasury and the Federal Reserve System are eager to work with businesses to increase cash-handler and consumer familiarity with the new security features during the transition to the new bills. Based on the experience and comments of participants in last year's $50 note program, we plan to provide merchants with information and materials they need to train cash-handling employees prior to the introduction of the $20 note.

The new currency series of bank notes represents an ongoing commitment to protect U.S. currency. The redesigned notes incorporate both familiar and new features while remaining recognizably American. These enhancements make U.S. currency easier to identify as genuine and more secure against advancing technologies that could be used for counterfeiting.

This year, trends suggest there will be an increase in low-denomination counterfeiting — especially with the $20 bill — using the latest computer and copying technology. Since the enhanced security features in the new series raise the hurdle for this type of counterfeiting, it is exceptionally important to make sure that your cash-handlers recognize and use the enhanced security features of the new notes. Employees who know how to authenticate the new bills will

help control losses at your company and deter counterfeiting generally, ultimately improving your company's bottom line.

Working with the nation's retailers, banks and financial institutions, the U.S. Treasury and the Federal Reserve have developed a comprehensive currency awareness and authentication program to educate and train the nation's cash-handlers about the changes to the currency. Last fall, more than 320,000 retail outlets participated in a test program to educate more than four million cash-handling employees about the new design and enhanced anti-counterfeiting features of the new $50 bank note.

In the coming weeks, you will receive additional information about the redesigned $20 note and will have an opportunity to order materials such as tent cards, brochures, posters and training videos. Until then, enclosed is a pamphlet for your review that details the new designs and security features of Series 1996 U.S. currency. If you have any questions, please contact the Treasury Currency Information Center at 800-394-4006.

The better informed your employees are about the currency changes, the easier the transition will be for your business, your customers and the general public. We hope you will participate in this important currency education program.

Sincerely,

Mary Ellen Withrow

Mary Ellen Withrow
Treasurer of the United States

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COVER STORY

New $20 bill key weapon in war on counterfeiting

By J. Taylor Buckley
and Tony Boylan
USA TODAY

Bolstered by evidence that its new, high-tech currency is winning the war on counterfeiting, the government rolls out the big gun next month: a new $20 bill.

Though the tough-to-copy $100 and the even newer $50 appear to have done their jobs since the wholesale revamping of U.S. currency began in 1996, the introduction of the $20 is key. It is the most widely circulated "big bill." It is coin of the realm in today's ATM world. It is printed by the U.S. Treasury in numbers second only to the dollar bill, and, not coincidentally, it is the most widely counterfeited bill.

It won't be available until the fall, but the $20's unveiling on May 20 begins the ultimate showdown between the government's anti-forgery technology and a rising generation of gangster geeks armed with computer scanners and ink-jet printers — part of a burgeoning cottage industry that Treasury officials blame for half of all bogus money printed.

Indeed, experts say, just about anyone now with a yen to cheat and access to standard computer gear can print money at the office, at school, or in the family room. You don't need a big press and skilled engravers to turn out a reasonable facsimile anymore.

By Sam Ward, USA TODAY

"The casual counterfeiter is taking liberties with the new technology the world is enjoying," says Arnette Heintze, an agent of the U.S. Secret Service, the unit within the Treasury Department that oversees counterfeiting issues. "We've never had a generation more adept at the technology that's being introduced to the world."

Adds Beth Weaver, a spokeswoman for Treasury: "The issue with counterfeiting is all the advances in computer technology and ink-jet printing. You get a nice download, print on some nice

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